

As voted by the Board of Trustees and in accordance with the notice of the meeting, the Regular Meeting of the Board of Trustees of the Portland Water District was held at the Jeff P. Nixon Training Center, 225 Douglass Street, Portland, Maine, on Monday, October 24, 2016. Attending from staff were Messrs. Miller, Kane, Johnson, Crovo, Wallace, Firmin and Mses. Katsiaticas and Walker. The meeting was convened by President Cote at 6:00 p.m. with the Pledge of Allegiance and a moment of silence.

**ROLL CALL**

The roll was called by the Clerk. All Trustees were present except Trustee Garrison.

**ACCEPTANCE OF MINUTES**

It was moved by Trustee Libby, seconded by Trustee Dreger.

Voted all in favor to waive the reading and accept the minutes of the Regular Meeting of September 19, 2016, and the Workshop Meeting of October 17, 2016.

**INVITATION FOR PUBLIC COMMENT**

None

**REPORTS**

**Operations Committee**

Trustee Lunt provided a summary of the Operations Committee meeting on October 17, 2016. Staff reviewed the activities related to the leak in September on Great Diamond Island. The discussion focused on efforts to communicate the boil water order, and ongoing plans to improve communication, with tools such as CodeRed and the Heath Alert Network. Also discussed was ongoing asset management efforts related to capital project delivery. The effort has involved both engineering and operations staff and should help ensure that assets have been identified and that a preventative maintenance plan is in place for new projects. A handout of the recent drought maps for the State of Maine was provided. The Sebago Lake level is below normal for this time of year, although the District is not concerned at this time.

**Planning Committee**

Trustee Swinton provided a summary of the Planning Committee's meeting on October 17, 2016. Staff provided a recommendation to amend an easement for Avesta Housing Corp. The committee voted 3-0 to approve the recommendation and forward to the full board for their consideration. Staff also provided a recommendation to purchase a strip of land from the Pan Am Railroad. The committee voted 3-0 to approve the recommendation and forward to the full board for their consideration.

**Administration and Finance Committee**

Trustee Siviski (Trustee Garrison was absent) gave a summary of the Administration and Finance Committee's meeting on October 17, 2016. Mr. Kane presented a proposed motion to the Bargaining Unit's Defined Benefit Pension Plan. The motion amended the effective date of the increase in the union employee's pension benefit to November 7, 2016 from January 1, 2017. Both management and the union agreed the effective date should be the beginning of the

union contract year. Since no employee is planning to retire between November 7th and January 1st, the change has no financial impact to the District. The Committee unanimously agreed to recommend the motion to the full Board for its consideration.

Mr. Cutrone provided an update on the work management/customer information system upgrade project. He noted that he has established an internet site to communicate the project's status to all employees, contacted current Hansen clients to gather information on how they changed their system, conducted interviews with employees on lessons learned from prior computer conversion projects and created a request for proposal for consulting services to assist in the project. It is anticipated a consultant will be selected by December 1st.

Ms. Demers presented an overview of the 2017 employee benefits program (see attached presentation). She noted the following:

- Health Plan: Second year for slight premium reduction with no benefit changes, good claims experience, modest employee contributions of 7%.
- Life Insurance: Rate reduction (\$5,700 a year) with a three-year rate guarantee with no change to benefit level.
- Long Term Disability Insurance: Rate reduction (\$1,700 a year) with a three-year rate guarantee with no change to benefit level.
- Workers' Compensation: Modification rate has decreased to .73, 13% lower than last year and the best rate the District has ever received.

Trustee Libby commented that it is gratifying to see the insurance rates go down.

### **General Manager's Report**

The General Manager introduced the 2017 budget. He reviewed the District's mission and the budgetary goals established by the Board in July. There were four major objectives and they have been met. The 2017 budget overall is \$42 million dollars. The Capital budget is almost \$19 million dollars. The operating budget is up 1.6% from last year. The projected water rate increase for next year is 1.7%; this is lower than was projected last year due to the increased revenue realized by the District this summer, due to drought conditions. This would mean a .30 increase for the average residential customer. The wastewater assessments will be at or below what the municipalities were expecting. Capital improvement will be the focus for the November workshop.

### **NEW BUSINESS**

**Order 16-033**, approving an amendment to the bargaining unit's pension plan consistent with the recently signed union contract.

At the March 28, 2016 meeting, the Board ratified the terms of the labor agreement between the Teamsters Local 340 and the District. At the April 25, 2016 meeting, the board approved an amendment approving updating the pension plan to reflect the negotiated change in the pension benefit for bargaining unit employees with an effective date of January 1, 2017. Subsequently, Management and the Union agreed that both parties intended the effective date of the pension benefit change to be November 7, 2016, coinciding with the beginning of the union contract year. The revised date was included in the signed contract. The proposed motion changes the effective date in the pension plan to be consistent with the union contract.

The agreement included an increase for bargaining unit employees participating in defined benefit pension benefits that retire. The summary of the changes are listed below:

<u>Pay Grade</u>	<u>Current Benefit</u>	<u>1/1/2017</u>
A-E	\$35.75/year of service	\$36.75
F-L	\$36.75/year of service	\$37.75

It was moved by Trustee Siviski and seconded by Trustee Dreger.

It was Voted and unanimously,

ORDERED, that the Second Amendment to the Portland Water District Bargaining Unit Employees’ Pension Plan, effective generally November 7, 2016, is hereby adopted and approved, in substantially the form presented at this meeting and ordered filed with the minutes hereof with such changes therein, not inconsistent with the general tenor thereof, as the officers of the District, with the advice of counsel, deem necessary or appropriate to carry out the objectives thereof or to obtain the approval of the Internal Revenue Service that the Plan is qualified under Section 401 of the Internal Revenue Code of 1986, as amended (the “Code”).

**Order 16-034**, approving an easement amendment agreement with Hill Street Terrace Housing Corporation

The District installed a water main in Squidere Lane in 1976 and was granted an easement from Falmouth Elderly Housing for its operation and maintenance. The easement was for a 50 foot wide street and a cul-de-sac at the end. The end of the roadway is being adjusted to accommodate the addition of another building by the current owner Avesta Housing Corp. Avesta Housing is doing the new project under the entity name of Hill Street Terrace Corporation. The building is proposed to be located in the cul-de-sac portion of the roadway.

In order to accomplish this, staff has reviewed and approved the plans and suggested an easement amendment agreement. PWD would release the cul-de sac portion of the roadway back to Avesta Housing and in return, Avesta would grant the District a 40 foot wide easement over that portion of the water main affected by the release.

It was moved by Trustee Swinton and seconded by Trustee Dreger.

It was Voted and unanimously,

ORDERED, the General Manager is authorized to execute an easement amendment agreement with Hill Street Terrace Housing Corporation (Avesta Housing Corp.) adjusting the location of an easement on Squidere Lane in Falmouth for a public water main; and further the General Manager and the Treasurer, each acting singly, are authorized to take such other steps as may be necessary to accomplish the intent of this vote.

**Order 16-035**, approving the purchase of a strip of land from the Pan Am Railroad.

The back side of the Douglass St. facility is located on the property line adjacent to Pan Am rails. The facility is in need of repairs and maintenance on that side of the structure. District staff and contractors need to access this side of the facility from the Pan Am property. Pan Am requires the use of flaggers and additional railway insurance. The cost of the insurance would be upwards of \$10,000 and the cost of a flagger would be \$850/day. As part of the purchase, the District will be performing a boundary survey to establish the boundaries of our property as well as to create a property description for what is being purchased. Staff has no record of a boundary survey ever having been done of the facility.

Trustee Siviski inquired if it is possible the survey will show that the District does, indeed, own some of the railroad property. Ms. Katsiaficas explained that the deed does not indicate we own any of the property in question.

Trustee Libby asked to recuse himself from the vote as he represents the principal owner of the surveying company. Trustee Dreger made the motion and Trustee Siviski seconded, it was voted all in favor.

The main motion was moved by Trustee Swinton and seconded by Trustee Libby.

It was Voted 9-0 (Libby abstained) and,

ORDERED, that the General Manager is hereby authorized to execute a purchase and sale agreement, in substantial form as attached hereto, for the purchase of a 15' by 160' strip of land adjacent to the Douglass St. facility from Pan Am Railway; and

BE IT FURTHER ORDERED, that the 2016 CIP subprogram 68 shall be increased in the amount of \$30,000; and

BE IT FURTHER ORDERED, the General Manager and the Treasurer, each acting singly, can take such action as necessary to accomplish the intent of this vote.

**Resolution 16-011**, appointing representatives to the Standish Steering Committee.

The Standish Steering Committee has requested to meet soon in order to discuss the MDOT project related to Route 35. The Steering Committee has 3 representatives who are Trustees of the Water District. Trustees Lunt, Ross and Douglas are the most recent representatives of the District. Due to limitations on her time, Trustee Douglas has asked to be replaced on the Committee. Trustee Siviski has agreed to take her place.

It was moved by President Cote and seconded by Trustee Dreger.

It was Voted and unanimously,

BE IT RESOLVED that Trustee Joseph Siviski is appointed as Portland Water District's representative to the Standish Steering Committee; and

BE IT FURTHER RESOLVED that Trustee William M. Lunt III and Trustee Wayne H. Ross shall continue to serve as the District's representatives to the Standish Steering Committee.

**EXECUTIVE SESSION**

None

**OTHER BUSINESS**

None

**SECOND INVITATION FOR PUBLIC COMMENT**

None

**TRUSTEE COMMENTS**

Trustee Lunt commended the District on the handling of the recent water main breaks.

Trustees Lunt, Libby, Levinsky and Cote thanked Trustee Cleaves for his 5 years of exemplary service as this will be his last business meeting.

Trustee Dreger wanted to remind residents of the North Gorham area that on November 1<sup>st</sup> they will see an increase in water pressure to 60 PSI. Please make sure you have had your plumbing fixtures inspected.

President Cote gave an update on the General Manager search. Spano Pratt has reached out to 100 people regarding the position. Interviews have begun and the search is progressing well.

**Adjournment.**

Meeting adjourned at 6:45 p.m.

Submitted by

Donna M. Katsiaficas  
Clerk